



Breathitt County

Water District

Making Breathitt County

A Better Place One Drop at a Time.

RECEIVED

OCT - 8 2014

PUBLIC SERVICE
COMMISSION

October 7, 2014

Jeff Derouen
Executive Director
Kentucky Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

RE: Formal Application for a Purchased Water Rate Adjustment

Dear Mr. Derouen:

Enclosed is an original and 10 copies of an application for a purchased water rate adjustment for Breathitt County Water District. The adjustment is necessary to recover an increase in the cost of water attributable to our supplier's new wholesale rates that become effective on or after November 1, 2014. The District is seeking to make this effective with the December 2014 billing for November's usage.

The District will publish the enclosed public notice of these requested rate revisions in the local weekly newspaper. In accordance with PSC rules and regulations, the notice will be published before the new bills are issued and will be published one time. A copy of the newspaper notice will be forwarded to you upon publication.

Sincerely,


Bobby Thorpe
Chairman

Enclosures

cc: Chris Wells, RCAP

PURCHASED WATER ADJUSTMENT FOR WATER DISTRICTS AND WATER ASSOCIATIONS (807 KAR 5:068)																		
Name of Utility	Breathitt County Water District																	
Date	October 7, 2014																	
Address	1137 Main Street, Suite 305																	
City, State, Zip	Jackson, KY 41339																	
Telephone Number	(606) 666-3800, Ext. 250																	
<p>1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 35%;">Supplier(s)</th> <th style="width: 30%;">Base Rate</th> <th style="width: 35%;">Changed Rate</th> </tr> </thead> <tbody> <tr> <td>City of Jackson</td> <td>\$ 2.90/1000 Gallons</td> <td>\$ 3.32/1000 Gallons</td> </tr> <tr> <td>City of Campton</td> <td>\$ 3.32/1000 Gallons</td> <td>No change</td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>				Supplier(s)	Base Rate	Changed Rate	City of Jackson	\$ 2.90/1000 Gallons	\$ 3.32/1000 Gallons	City of Campton	\$ 3.32/1000 Gallons	No change						
Supplier(s)	Base Rate	Changed Rate																
City of Jackson	\$ 2.90/1000 Gallons	\$ 3.32/1000 Gallons																
City of Campton	\$ 3.32/1000 Gallons	No change																
<p>1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit A.</p>																		
<p>2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">From</td> <td style="width: 35%;">October 2013</td> <td style="width: 15%;">through</td> <td style="width: 35%;">September 2014</td> </tr> <tr> <td></td> <td>(month and year)</td> <td></td> <td>(month and year)</td> </tr> </table>				From	October 2013	through	September 2014		(month and year)		(month and year)							
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	(month and year)		(month and year)															
<p>3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.</p>																		

Supplier(s)	Gallons Purchased during 12 month period
City of Jackson (Exhibit C)	85,785,000
City of Campton (Exhibit B)	98,100
TOTAL PURCHASES	
4. Total gallons sold for the 12 month period (Exhibit D)	54,961,000
5. Increased water cost	\$ 36,029.70
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	$\frac{\$ 36,029.70}{54,961,000 \div 1000G} = .66 \text{ cents}/1000G$
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
<p>Note: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.</p>	
7. Proposed effective date	November 1, 2014
	
Signature of Utility Officer	
Chairman, Breathitt County Water District	
Title	



Rose Wolfe

*Mayor, City of Jackson
333 Broadway
Jackson, KY 41339*

Phone: 606-666-7069 Fax: 606-666-7046

September 17, 2014

Breathitt County Water District
1137 Main Street
Jackson, Kentucky 41339

The City of Jackson intends to raise the water rates .42 cents per 1000 gallons of water purchased as of November 1, 2014 for the Breathitt County Water District.

Sincerely;

A handwritten signature in cursive script that reads "Rose Wolfe".

Rose Wolfe, Mayor
City of Jackson, Kentucky

BCWD's Water Purchased From City of Campton			
Date	Gallons Purchased		
October 2013			
November 2013			
December 2013			
January 2014			
February 2014	15,000		
March 2014	14,000		
April 2014	13,000		
May 2014	12,000		
June 2014	12,100		
July 2014	8,900		
August 2014	8,900		
September 2014	14,200		
Total	98,100		
98,100 gal ÷ 1000 gal = 98.10 gal			
98.10 gal x \$3.32 (current rate) = \$325.69			
No change in rate for water purchased from City of Campton			

BCWD's Water Purchased From City of Jackson	
Date	Gallons Purchased
October 2013	5,506,000
November 2013	6,456,000
December 2013	5,900,000
January 2014	7,480,000
February 2014	8,354,000
March 2014	7,655,000
April 2014	8,293,000
May 2014	7,043,000
June 2014	7,956,000
July 2014	6,717,000
August 2014	6,703,000
September 2014	7,722,000
Total	85,785,000
85,785,000 gal ÷ 1000 gal = 85,785 gal	
85,785 gal x \$2.90 (current rate) = \$248,776.50 + \$325.69 (Campton) = \$249,102.19	
85,785 gal x \$3.32 (new rate) = \$284,806.20 + \$325.69 (Campton) = \$285,131.89	
Increased Water Cost	
\$285,131.89 - \$249,102.19 = \$36,029.70	

BCWD's Gallons Sold From October 2013 - September 2014			
Date	Gallons Sold		
October 2013	4,158,000		
November 2013	3,983,000		
December 2013	3,983,000		
January 2014	4,502,000		
February 2014	5,649,000		
March 2014	4,775,000		
April 2014	4,302,000		
May 2014	4,458,000		
June 2014	4,601,000		
July 2014	5,398,000		
August 2014	4,453,000		
September 2014	4,699,000		
Total	54,961,000		

FOR Jackson, Kentucky
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

Breathitt County Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RATES AND CHARGES

The following rates and charges are prescribed for the customers in the area served by Breathitt County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this order.

Monthly Rates

<u>5/8" X 3/4" Meters</u>	<u>Existing</u>	<u>Proposed</u>
First 2,000 Gallons	\$22.34 Minimum Bill	\$23.66 Minimum Bill
Over 2,000 Gallons	11.17 Per 1,000 Gallons	11.83 Per 1,000 Gallons

Wholesale Rates

Village of Buckhorn	\$3.72 Per 1,000 Gallons
<u>Kentucky Bible College</u>	
First 10,000 Gallons	\$111.70 Minimum Bill
Next 190,000 Gallons	6.20 Per 1,000 Gallons
Over 200,000 Gallons	5.02 Per 1,000 Gallons
Leak Adjustment Rate	\$6.17 Per 1,000 Gallons

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE _____

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

To be published in the Breathitt Advocate and/or Jackson Times Voice, Thursday, October 16, 2014

NOTICE

Due to a rate increase from the City of Jackson, KY, notice is hereby given that Breathitt County Water District has filed an application for a Purchased Water Adjustment with the Kentucky Public Service Commission for the purpose of adjusting its water rates. Customer rates will increase by \$0.66 per 1,000 gallons used. The proposed change will be effective for service rendered on and after November 1, 2014.

<u>Monthly Rate:</u>	<u>Current</u>	<u>Proposed</u>	<u>% Increase</u>
First 2,000 gallons	\$ 22.34 Minimum Bill	\$ 23.66 Minimum Bill	6%
Over 2,000 gallons	\$ 11.17 per 1000 gallons	\$ 11.83 per 1000 gallons	6%

The monthly bill for a customer using an average of 5,000 gallons per month will increase \$3.30 from \$55.85 to \$59.15 or 6%.

The rates contained in this notice are the rates proposed by Breathitt County Water District. However, the Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates in this notice.

Breathitt County Water District has available for inspection at its office the application submitted to the Public Service Commission. The office is located at 1137 Main Street, Suite 305, Jackson, KY 41339.

Breathitt County Water District

The following rates and charges are prescribed for the customers in the area served by Breathitt County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this order.

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RESOLUTION # 1062014

A RESOLUTION OF THE BREATHITT COUNTY WATER DISTRICT APPROVING A PROPOSED RATE INCREASE FOR THE COUNTY WATER SYSTEM AS APPROVED BY THE BREATHITT COUNTY WATER DISTRICT BOARD.

Whereas, the Breathitt County Water District Board did pass and approve a proposed rate increase for the Breathitt County Water District Systems at the October 6, 2014 Emergency Water Board Meeting.

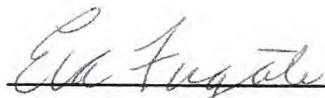
Whereas, motion was made and approved by a vote of 3-2 that the Breathitt Water District Board increase the minimum bill from \$22.34 to \$23.66 and an increase per thousand after the first two thousand gallon from \$11.17 per thousand to \$11.83 per thousand to become effective for billing cycle due November 1, 2014.

Whereas, cause for the proposed rate increase was impending the rate increase of purchased water from the City of Jackson.

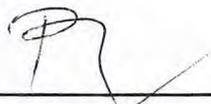
NOW THEREFORE BE IT RESOLVED by the Breathitt County Water Board that the proposed rate increase for the Water System will become effective for billing cycle due November 1, 2014.

VOTE TAKEN AS FOLLOWS:	AYE	NAY
Bobby Thorpe, Jr., Chairman	<u> x </u>	<u> </u>
Sammie Turner, Vice Chairman	<u> x </u>	<u> </u>
Kash Noble, Treasurer	<u> x </u>	<u> </u>
Eva Fugate, Secretary	<u> x </u>	<u> </u>
Eugene Turner, Member	<u> x </u>	<u> </u>

MOTION CARRIED.



Attest, Clerk



Breathitt County Water District
Bobby Thorpe Jr., Chairman